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SHOULD FARM OWNERSHIP BE A GOAL OF AGRICULTURAL POLICY ?

This pamphlet is the third of the materials prepared for the assistance of rural discussion groups in 1936-37 through the cooperation of the Extension Service and the Agricultural Adjustment Administration of the U. S. Department of Agriculture. It is not intended to direct attention to any particular point of view or conclusion, and no statement contained herein should be construed as an official expression of the Department of Agriculture. The materials listed below attempt to present, in readable, non-technical language, discussions of issues related to rural life. Their contents are not offered as either complete or orderly presentations, but as collections of current facts and attitudes which may be of use to rural people who are thinking about these questions for themselves.

Materials have been prepared for the 1936-37 season on the following topics:

- DS-1. What Should Be the Farmers' Share in the National Income?**
- DS-2. How Do Farm People Live in Comparison with City People?**
- DS-3. Should Farm Ownership Be a Goal of Agricultural Policy?**
- DS-4. Exports and Imports—How Do They Affect the Farmer?**
- DS-5. Is Increased Efficiency in Farming Always a Good Thing?**
- DS-6. What Should Farmers Aim to Accomplish Through Organization?**
- DS-7. What Kind of Agricultural Policy Is Necessary to Save Our Soil?**
- DS-8. What Part Should Farmers in Your County Take in Making National Agricultural Policy?**

Two pamphlets on technique, intended primarily for the assistance of leaders of rural discussion groups and forums, are also available:

- D-1. A Brief Guide to Methods (revised 1936).**
- D-2. How to Organize and Conduct County Forums (revised 1936).**

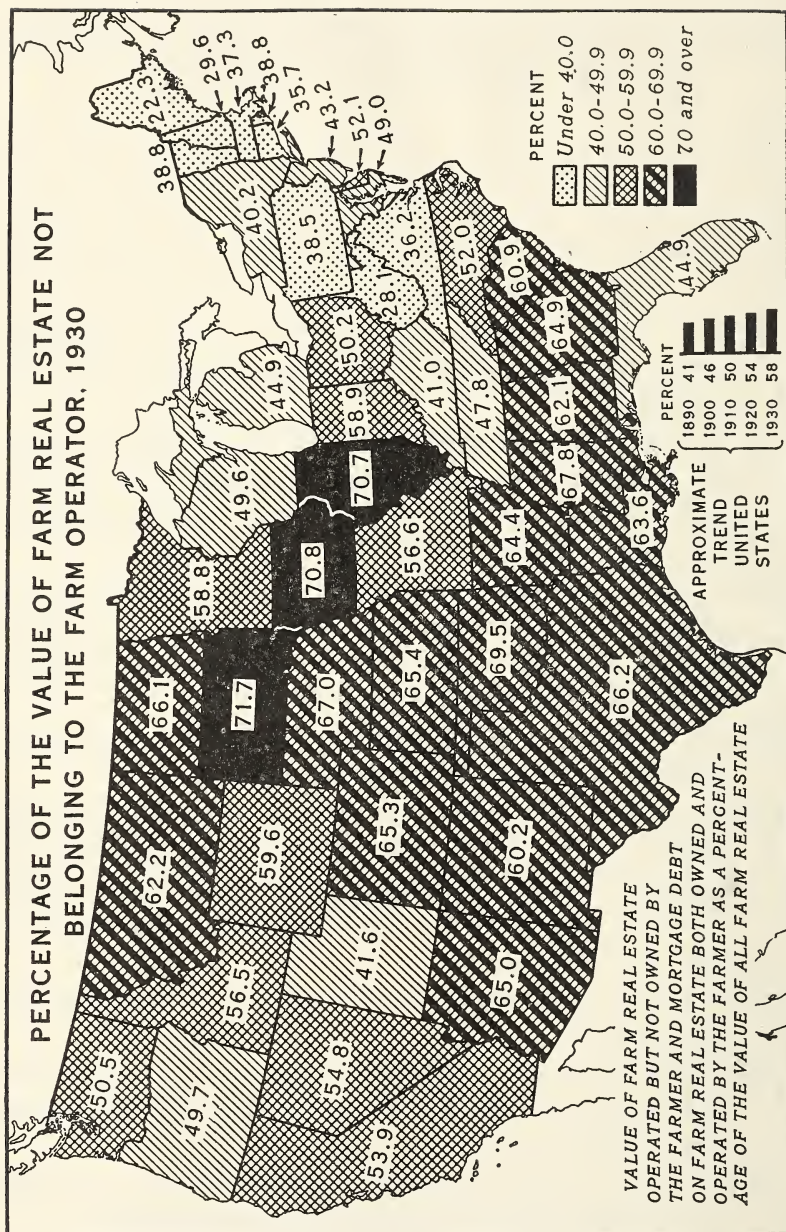
United States Department of Agriculture
The Extension Service and the
Agricultural Adjustment Administration cooperating
(Photograph by Resettlement Administration)
December 1936

SHOULD FARM OWNERSHIP BE A GOAL OF AGRICULTURAL POLICY?

Many people are now actively concerned over the growth of farm tenancy. There are a number of ways to get at the problem and a number of different ideas about what should be done. How would you answer these questions? On what do you base your point of view?

1. Where have recent increases in farm tenancy taken place? How can you account for the increase?
2. Is tenancy a desirable way for a farmer to serve his apprenticeship period? Does the age of most tenants indicate that they are starting up the agricultural ladder?
3. Is a farmer who has some capital likely to be better off if he uses his capital to buy equipment, stock, etc., for a farm that he rents, than if he uses his capital to buy land?
4. What chance has a farmer without capital to become a farm owner today?
5. What effect does tenancy have on the soil in cash crop areas? How much land is farmed by tenants? Would the tenant-farmed areas make a broad program of soil conservation hard to put into effect?
6. Is tenancy any worse for the soil than speculative ownership?
7. Do tenants have sufficient incentive to improve their farms or should they be paid for improvements they make?
8. What effect does frequent moving have on ordinary home life? On school attendance?
9. Is special credit legislation for tenants a desirable means of helping tenants become owners?

PERCENTAGE OF THE VALUE OF FARM REAL ESTATE NOT BELONGING TO THE FARM OPERATOR, 1930



SHOULD FARM OWNERSHIP BE A GOAL OF AGRICULTURAL POLICY?

"Farm tenancy," an old-timer in our county chose to remark at a public meeting, "farm tenancy is a worse trouble-maker than a balky mule."

"It's a balky tractor nowadays, granddad," says the youngest farmer in the group; "times are changing—you've got to keep up with the change."

"Tenancy's done no changing, except for the worse. That's why we need to think about it. Just how many of you intelligent people have any real ACCURATE ideas on tenancy? Of course, some folks say it's just a natural thing, and nothing can or ought to be done about it. Others say it's a mighty serious proposition, and something's GOT to be done about it. And there are plenty of shades of thinking and opinion in between. Probably most of 'em are right among us here, if folks will speak up and tell us how they feel. Now, when I was a boy. . . ."

The old farmer is bringing up a subject which is on the minds of lots of people. Most people in the nation agree that our tenancy ratio in some areas is too high. But what to do about it is something on which Americans are not agreed. Other nations have attacked the problem in various ways. Americans must find their own solution in their own way, in the light of their own experience and world experience. But why not look in on the discussion of this group of farmer-citizens who are so seriously concerned?

HOW WIDESPREAD IS TENANCY?

"Now—when I was a boy, I can remember mighty few tenant farmers. If a young fellow wanted to be a farmer, and he couldn't raise the capital to start out in his home parts, he just hit out for the West where there was plenty

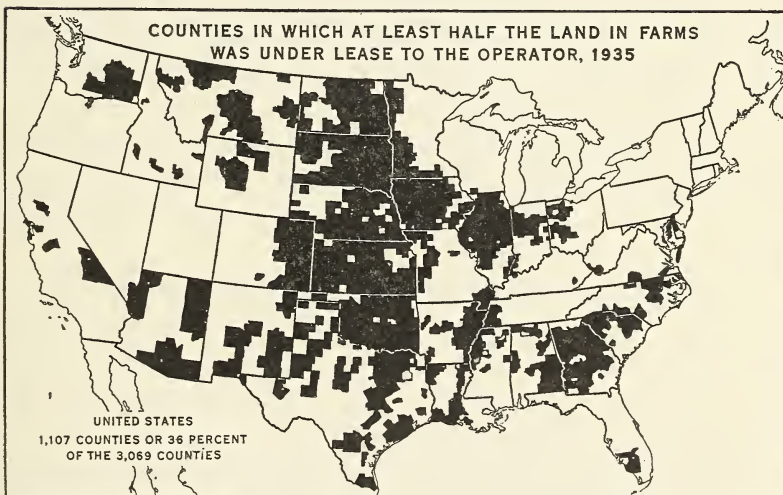
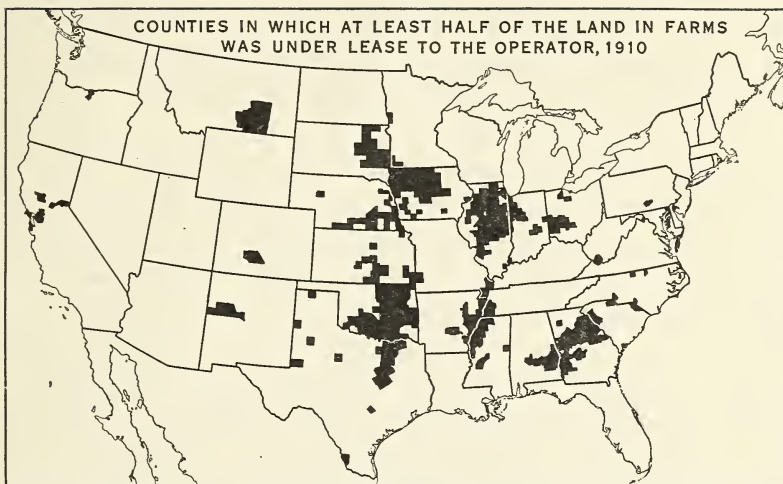
of land for the taking. The story is plain as day in the census figures. Back in '80, there was only about 25 percent tenancy in the whole United States. By 1910 it got up to 37 percent. And by 1930, it was headed toward 43 percent. That means that pretty near to ONE-HALF THE FARMERS IN AMERICA DO NOT OWN THE LAND THEY CULTIVATE."

"Why, I always thought that most all tenancy was in the South," remarks the young farmer's wife.

"That's not true, even though lots of folks think so." This man has done some travelling, and has seen things with his own eyes. "Tenancy has been increasing so fast in the West that it's got to be as hard a nut to crack there as in the South. Reel off the 1930 figures for the sections with the largest number of tenants, granddad."

"Well, they're bad enough to make people sit up and take notice. I'll put it like this: in the Mountain States, one farmer out of every four is a tenant; in the East North-Central area, it's getting close to a third of all farmers are tenants; and in the West North-Central States, near on to 40 percent are tenants. It begins to get sure enough bad when you get into the South-Atlantic States—one farmer out of two is a tenant. In the East South-Central States almost 56 farmers out of every 100 are tenants; and when you swing around to the West South-Central, it's getting on towards two-thirds of all the farmers are tenants!

"And in the South those figures don't mean that tenants are all Negroes, either. In fact, the ratio is about FIVE WHITES TO THREE BLACKS throughout these States. After the Civil War, southern tenants were nearly all Negroes who'd been slaves. But since then lots of small white farmers have had to become croppers and compete with the former slaves."



WHERE DID TENANCY COME FROM?

"But what has caused all this tenancy?" asks a middle-aged farmer who is having a great deal of trouble with his mortgage. "There wasn't any tenancy in the beginning when America was settled. I can just remember that my history book used to say the Pilgrims divided up the land and every man had his share in freehold."

"Well, I don't remember the Civil War—or how the tall tale about 40 acres and a mule didn't work out," says the old timer, "but I do remember the boom periods in the West, and the speculation in land that some of the buyers had never laid eyes on. When 1914 came along every doggone farmer in America thought he'd get rich off the War. They plowed up land that was pasture before, bought more land at high prices, and slapped themselves on the back for being mighty smart fellows. Then first thing they knew the War was over. Credits started tightening up, and farmers began to lose their places through foreclosures and dispossession, so it got tighter all the time. Farmers had a hard row to hoe from 1921 on, but they didn't hit bottom till '32. In the depression MANY AN ORDINARY FARMER WHO'D HELD ON THROUGH THE 1920'S LOST WHAT HE HAD AND WAS TURNED INTO A TENANT where he'd been an owner before. I guess you get the drift."

"I sure do," answers the farmer who knows what it means to have his place mortgaged. "After all my life of sweat and work, it would be mighty tough ending up a tenant on my own farm!"

"Specially with a corporation owning your farm—being your boss," another farmer states plainly, "I ought to know, because I'm renting from a bank. The fellow who used to own the place is on relief, now. I'm there because they thought I'd do a better job."

"I heard, when I was travelling, that in some counties of the lower Mississippi Black Lands as much as 10 percent of the land is corporation owned—and in the Middle West some counties run as high or even higher."

"CORPORATION OWNERSHIP OF FARMS BY FORECLOSURE IS INCREASING ALL THE TIME. It's just another sign of change," sighs granddad.

"It's harder trying to own a farm, now," inserts the youngest farmer. "Look at me; I'm 28, and I'm just started. My father had his own farm at 24, and a couple of kids besides! THE LADDER IS HARDER AND HARDER TO CLIMB."

"In the South, the small farmer has a hard time bucking the big plantation," contributes the much-travelled man. "The banks are geared to finance the plantations, and credit isn't easy to get for the other fellows. A tenant just stays a tenant without any hope of rising. And it's ten times worse for a sharecropper."

"I don't think it's as bad as you say," emphatically remarks a large landholder. "Credit isn't so hard to get if you're honest and industrious. I think these tenants are sharecroppers BECAUSE THEY ARE SHIFTLESS AND NO-ACCOUNT! No wonder there's so much tenancy when there are so many irresponsible people!"

"I can't agree on that," replies the old man. "It looks to me like THE TENANT SYSTEM HAS MADE PEOPLE SHIFTLESS, INSTEAD OF SHIFTLESS PEOPLE MAKING THE TENANT SYSTEM! Of course, it works both ways. But by and large I'd say the big owners were bound by the system almost as much as the little fellows. It's not all good or all bad. That's one thing making it so hard to figure out."

WHAT IS GOOD ABOUT THE TENANT SYSTEM?

"Plenty of tenants will tell you tenancy isn't all bad," the large landholder emphasizes.

"Sure," assents a man who rents for cash; "I know tenants who decided to be tenants on purpose, because they thought they could come out better in the long run. They decided to put their money into work stock and rent land, because the price of land you rent can be changed from year to year as market prices change, while interest and

AGE OF FARMERS IN RELATION TO TENURE

STATES IN WHICH AT LEAST HALF THE FARMERS WERE TENANTS

ALL
FARMERS



FARMERS
BY AGE

55-64 YEARS



45-54 YEARS



35-44 YEARS



25-34 YEARS



UNDER
25 YEARS



taxes on land you buy stay where they were even though market prices may be bobbing around like a cork in a pond full of fish."

"There's another reason why tenancy's a good thing," another farm owner agrees. "I started as a tenant, and it gave me valuable experience as well as time to accumulate enough working capital to start out for myself. I'll be honest when I say it was a tight squeeze, and the whole family had to work hard with me and save, but we did it, and now our farm belongs to us."

"You take good care of your place, too, and especially your soil," asserts the large owner. "I don't think I ever saw a better farmer for planting legumes and looking out for gulleys. You've got a farm to be proud of."

"I am proud of it. I've got a real home, a place where I like to think my boys and girls are growing up."

"Yes," pursues the old man, "and THE BOYS AND GIRLS OF MANY TENANT FARMERS HAVE NO CHANCE OF A HOME, in the best sense of that word 'home.'"

WHAT IS BAD ABOUT THE TENANT SYSTEM?

"Well, no wonder!" exclaims the young farmer's wife; "what kind of a home—no matter how poor—do you think you could have if you were moving about all the time! Imagine yanking your children in and out of schools every few years, and trying to make new friends in a new community, and start all over!"

"She's put her finger on one of the worst things about tenancy—the constant shifting," assents the large landholder. "THE AVERAGE TENANT LEASE OVER THE WHOLE COUNTRY IS ONLY THREE YEARS, and you know as well as I do how many get itching feet and hit the road after a single growing season. Think how much trouble and waste of time that makes for the landlord! Think how little that encourages the tenant farmer to make improvements on the place! Think how it does encourage him to run through soil resources and then move on to another farm!"

"Well, I don't know as I blame the tenant," says the farmer who rents from the bank; "why should he make improvements on somebody else's land, when he never gets paid for those improvements? Why should he trouble with soil conservation practices when he's usually so pinched for money it's all he can do to get along? And if he can't raise a big cash crop and sell it for enough to get himself out of debt at the year's end, where does that leave him for all his work? I'll tell you where: it leaves him with the landlord cussing him for being a sorry farmer!"

"What worries me more," the young woman continues, "are the terrible houses tenants have to put up with. Why, IT'S PRETTY HARD FOR A FAMILY TO KEEP IN GOOD HEALTH UNDER AVERAGE TENANT CONDITIONS. It's as plain as the nose on your face why so many tenant children are puny."

"Tenant houses are often dumps as bad as city slums," the traveller adds. "Everybody knows all about how pellagra and other diseases are caused in the South by lack of the right kind of food, too. Many sharecroppers just don't have gardens. They get 'furnish' from the plantation-store or one like it, and pay higher prices than they ought."

"Do they, when you take account of how much it costs to carry them? Do you think that's easy on the planter?" counters the big farmer. "After all, who takes the risk?"

"I certainly wouldn't say the landlord takes ALL the risk," puts in a farmer who is speaking for the first time. "I'm a tenant, now, though I've been a farm owner. I'm middle-aged, I've worked hard, and what have I got to show for it? And there are plenty others like me who deserve a better break than they got. What we've gone and done in our country is this: WE'VE MADE PROPERTY MORE IMPORTANT THAN THE MAN ON THE PROPERTY. And the thing worrying me most is that I've got a boy who wants to be a farmer. WHAT CHANCE HAS HE TO OWN A FARM? If it's been so tough for me, WHAT WILL IT BE FOR HIM? That's why I say THE

TENANT TAKES A RISK—a risk bigger than losing a sack of meal and a keg of molasses!"

"There's a bigger risk than the one the landlord takes, and a bigger risk than the one the tenant takes," the old man says carefully; "it's THE RISK THE NATION TAKES. What is to be the future of our country if we continue to increase the thoughtless, half-educated, half-starved people we try to call free American farmers? If a democracy is to work, folks must have decent lives and must learn how to think or the whole thing'll go crashing down. IF WE BELIEVE IN A DEMOCRACY—and we say we do—HOW CAN WE PROVIDE ACCESS TO LAND OWNERSHIP IN ORDER TO PRESERVE THAT DEMOCRACY?"

WHAT CAN BE DONE ABOUT TENANCY?

He pauses, then continues, "If agricultural adjustment, a bad credit system, and new machinery all throw tenants down the ladder a step, making them field hands again, and you get more field hands than there is employment—why what's to become of them? ARE YOU SATISFIED WITH JUST PUTTING JOBLESS FARMERS ON RELIEF?"

"Wouldn't the worst features of tenancy be eliminated if farms were organized on a factory basis—that is, into great corporations which could operate efficiently under skilled management?" suggests the large landowner.

"I've seen some wheat farms and cotton plantations like that," adds the much-travelled man.

"But what becomes of the farm home under that kind of a set-up?" asks the young woman.

"What has happened to the farm home in high tenancy areas today?" answers granddad. "The answer has already been given: Where most tenants have to live isn't fit to live in. Why would tenancy on a corporation farm be any improvement? It's pretty plain from the homes of industrial workers that some corporations don't give a hang how their people live."

The youngest farmer looks thoughtful. "Isn't there some way of controlling speculation, and making credit avail-

able to tenants on reasonable terms? Could we use machinery cooperatively, without such a drain on the individual pocketbook? In a cooperative set-up every farmer would be both a tenant and an owner."

"Why change?" the big landholder proposes, "hasn't the old system been good enough? Hasn't it brought stability, made our democracy what it is, kept the people sane and hard-working?"

"In my time," adds the old man, "the Government owned a great deal of land. Then it turned the land loose to individuals to do with as they wanted. What are some of the results? Well, terrible pressure to make a living—and from that pressure: gulleys in the South and dust storms in the West, booms and land speculation, production of farm products greater than market demand, and—part and parcel of the whole thing—TENANCY."

The young man nods his head. "The Government is already buying up submarginal lands—but what we really need to protect is good land—not bad land."

"What we also need is TO PROTECT THE PEOPLE WHO ACTUALLY WORK THE LAND," the old farmer declares. "I think we can all agree on that."

"But what's the thing nearest in sight for helping tenants?" asks the young woman.

"Well, Congress has been doing an awful lot of talking about a special bill to help farm tenants," a tenant replies. "I've been watching it pretty close. It works on the general principle of the financial help farmers already have: loans through the Federal Land Banks and the Farm Credit Administration. But this would be for the special purpose of making loans to tenants so they can buy their own farms."

"But how could they ever pay it off?" asks the young farmer.

"Low interest and very long amortization. And just as important, the Government is to retain title until the whole debt is paid. That will cut out the hungry land-grabbers."

"It looks to me like putting out a great deal of money to irresponsible people," the large landowner states. "Will the Government ever collect, or will the loans just turn out to be gifts to the shiftless?"

"That depends on the way the loans are made. Many tenant farmers, and sharecroppers especially, need help on good farm management. That's not impossible. There are a number of private and Government experiments that have worked out very well along those lines."

The old farmer joins in the discussion: "This thing is harder than erosion to control, because it's harder to see how it starts and what's to be done about it. But of one thing we're all certain: IT IS TO THE BEST INTEREST OF EVERY ONE OF US THAT SOMETHING BE DONE ABOUT TENANCY—and in one way or another, eventually EVERY ONE OF US MUST PLAY A PART IN WHAT IS DONE."

Can you think of any angles on farm tenancy missed by these people?

Which points of view do you agree with? WHY?

Is it true that the "no-account" type of tenant farmer has made the tenant system what it is?

Or is it true that the system has made the "no-account" tenant what he is? Or both?

What do you think is the BEST WAY to get at the UGLY SIDES of tenancy?

Are individual small holdings economically sound or should they be grouped and farmed cooperatively as a large plantation?

Do you think changes in our TENANT SYSTEM will be necessary if we are to MAINTAIN AND ADVANCE THE AMERICAN IDEAL OF DEMOCRACY? If so, WHY?

MORE ABOUT FARM TENANCY

(Quantity prices may be secured on many of these publications)

Many studies on local tenancy problems are available at Agricultural Experiment Stations and State Agricultural Colleges.

The Bureau of Agricultural Economics, U. S. Department of Agriculture, Washington, D. C., has a series of charts on tenancy, available upon request without cost.

THE OWNERSHIP OF TENANT FARMS IN THE UNITED STATES. H. A. Turner, U. S. Department of Agriculture Bulletin 1432. Superintendent of Documents, Washington, D. C. 1926. \$0.10.

THE COLLAPSE OF COTTON TENANCY. W. Alexander, E. R. Embree, C. S. Johnson. University of North Carolina Press, Chapel Hill, N. C. 1935. \$0.35.

THE OWNERSHIP OF TENANT FARMS IN THE NORTH CENTRAL STATES. H. A. Turner. U. S. Department of Agriculture Bulletin 1433. Superintendent of Documents, Washington, D. C. 1926. \$0.10.

THE PLIGHT OF THE SHARE-CROPPER. Norman Thomas. The League for Industrial Democracy, New York City. 1934. \$0.10.

HUMAN PROBLEMS IN ACREAGE REDUCTION. Calvin B. Hoover. Mimeographed report to the Secretary of Agriculture. Washington, D. C. 1934. Free.

FARM TENANCY AND THE BANKHEAD-JONES BILL. James G. Maddox. The AAA Land Policy Review, Land Use Planning Section, Resettlement Administration, Washington, D. C. Vol. I, No. 3. April, 1935. Free.

THE FARMERS' HOME BILL. American Liberty League, National Press Building, Washington, D. C. Document #36. May 1935. Free.

THE SHARE-CROPPER BEGINS TO THINK. Edward Angly. Today, New York City. Vol. 4, No. 1. April 27, 1935. \$0.10.

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COTTON GROWING COMMUNITIES. Study No. 2. B. Y. Landis and G. E. Haynes. The Federal Council of the Churches of Christ in America, 105 E. 22nd St., New York City. September 1935. \$0.15.

THE FARM TENANCY SITUATION. James G. Maddox. Land Use Planning Section, Resettlement Administration, Washington, D. C. 1936. Free.

THE TENANT FARMER IN THE SOUTH. R. C. Beatty and G. M. O'Donnell. The American Review, New York City. April 1935. \$0.40.

HOW WISCONSIN FARMERS BECOME OWNERS. B. H. Hibbard and G. A. Peterson. Agricultural Experiment Station, Madison, Wisconsin. Bulletin No. 402. 1928. Free.

REFORMS NEEDED IN TENANT SYSTEM. Karl E. Ashburn. The Texas Weekly, Dallas, Texas. Vol. XI, No. 12. March 23, 1935. \$0.10.

REVOLT AMONG THE SHARE-CROPPERS. Howard Kester. Covici Friede, New York City. 1936. \$0.50.

LOOK AWAY, DIXIE LAND! Russell Lord. The Country Home, Springfield, Ohio. Vol. 59, No. 3. March 1935. \$0.05.

THE FARM TENANT AND HIS RENTING PROBLEMS. O. R. Johnson. University of Missouri, Columbia, Missouri. Agricultural Experiment Station. Bulletin No. 315. 1932. Free.

BURYING GROUND FOR HUMAN VALUES. Donald F. Fenn. The Southern Workman, Hampton, Va. Vol. LVII, No. 6. June 1928. \$0.10.

ECONOMIC PHASES OF EROSION CONTROL IN SOUTHERN IOWA. R. Schickele. Iowa Agricultural Experiment Station, Ames, Iowa. Bulletin No. 333. June 1935. Free.

LANDLORD AND TENANT ON COTTON PLANTATIONS. T. J. Woofter and others. Works Progress Administration, Washington, D. C. 1936. Free.

THE FARM LEASE CONTRACT. L. C. Gray and H. A. Turner. U. S. Department of Agriculture, Washington, D. C. Farmers, Bulletin No. 1164. 1930. Free.

FARM TENANCY IN THE UNITED STATES 1925-1935. Agricultural Economics Bibliography No. 59. U. S. Department of Agriculture, Washington, D. C. Free.